

June 23, 2004

To All Prospective Offerors:

The TIPSS-3 team announces the release of the Total Information Processing Support Services – 3 (TIPSS-3) Request for Proposal (RFP) No. TIRNO-04-R-00017.

This overview is not intended to provide detail on the acquisition or competition process. It is intended to communicate the general concepts behind the acquisition and to share our rationale for the TIPSS-3 RFP.

We would like to draw your attention to several aspects of this solicitation that may be of particular interest.

Multiple Agency Contract (MAC)

Since TIPSS-3 will be a Multiple Agency Contract (MAC), the name of the project has been changed from “*Treasury* Information Processing Support Services” to “***Total*** Information Processing Support Services”.

Contract Type

1. Indefinite-Delivery Indefinite-Quantity
2. Cost-Plus-Fixed-Fee
3. Fixed Price
4. Time and Material

Task Orders will feature term, completion, and performance-based type work.

Task Areas

1. Information Systems Services
2. System Security Services
3. Strategic Business Services

Contract Life

One Base Year with Four Optional Years.

Multiple Awards

Estimated 8-12 contract awards.

Type of Competition

Both Full and Open Competition and Partial 8(a) Competitive, HUBZone Set-Aside, Service Disabled Veteran-Owned Small Business Set-Aside, and Small Business Set-Aside

Partial Small Business Set-Asides

Set-Aside for Task Orders estimated at \$250,000 or less (except for sole source). It is anticipated that awards will be made to the following:

Small Business firms – two contracts
8(a) firms – two contracts
HUBZone firm – one contract
Service-Disabled Veteran-Owned firm – one contract

Technical Requirements Structure

In surveying our customers we have determined that the TIPSS-3 requirements fall into one of three basic areas, which we call Principle Task Areas:

Principle Task Areas:

1. Information Systems Services – Required for all Full and Open Offers but a Competitive Choice for Small Business Set-Aside Offers.
2. System Security Services – Competitive Choice for all offers.
3. Strategic Business Services – Competitive Choice for all offers.

In designing this solicitation, we have tried to take advantage of the diverse capabilities found in industry. The solicitation structure permits a degree of flexibility to present your best capabilities. The best case scenario will have awards that result in each Principle Task Area covered by at least two contracts. However, the Government intends to balance that goal in the source selection process with the overall value of the Offeror's total proposal. Awards are based on the overall proposal quality. No award will be made to Offerors whose proposals are not in the best interest of the Government simply to allow coverage on all Principle Task Areas.

Capability Maturity Model (CMM[®]) Requirement

Large Business Offerors and Small Business Offerors, who elect to compete under the full and open competition, must submit Proposals in the Information Systems Services Principle Task Area. The Offeror shall provide evidence of compliance with process maturity Capability Maturity Model[®] (CMM[®]) for software development through the submission of SCAMPISM results.

Offerors proposing under the Partial Small Business Set-Aside (SBSA) have two options:

- (1) SBSA Offerors may validate their SEISM CMMI[®] Level 2 status by providing the same CMMI[®] information required for proposing under the full and open competition; or
- (2) Alternatively, SBSA Offerors may choose to defer validation of their SEISM CMMI[®] Level 2 status until after contract award. (Refer to Section J, Attachment J.8, Internal Revenue Service Capability Maturity Model Requirements and Instructions.)

Note: Only Contractors who are SEISM CMMI[®] Level 2 compliant will be considered for IRS software development work in the Principle Task Areas that they receive awards.

Alternate Proposals

Goals of this acquisition include enhancing competition, preventing monopolization of awards, and broadening the base of technical resources and expertise to the Government.

Offerors may submit more than one proposal when: 1) submitting both as a prime and subcontractor; or 2) submitting as a subcontractor on more than one prime proposal. In addition, the Small Business Set-Aside Offerors may submit a proposal for both the Full and Open and the Small Business Set-Aside Competitions. Please refer to Section L of the solicitation.

Multiple Award

The solicitation structure provides significant value for the Government. Multiple sources will allow for continuous review of performance quality and leave alternatives open to the Government. As a result, we should be more responsive to our customer base and better stewards of public funds. We will not be dependent on single sources for particular services nor will industry be forced to change staffing patterns artificially.

Increased Communications

Experience has taught us that providing the Contractor with a clear understanding of the work to be accomplished is the single most critical element in successful task completion. Generally our industry partners are motivated to provide usable deliverables and services. The interaction between Contractors and Government representatives is crucial to task success. While we need sufficient controls and guidelines, we feel that increasing technical exchanges early in the life of a task produces better products. Therefore, it is also our intent to provide continued usage of the internet and electronic mailing systems to disseminate information.

Proposal Due Date

The team would like to draw your attention to the closing period for this solicitation. Proposals must be received by 2:00 PM on August 18, 2004. Please ensure that your proposals are submitted in a timely manner. Late submissions, modifications and withdrawal of offers will be handled in accordance with FAR 52.215-1. The address for submission of proposals is:

Department of the Treasury
Internal Revenue Service
A/C (Procurement), OS:A:P:C:T:C
6009 Oxon Hill Road, Suite 500
Oxon Hill, MD 20745

Your outer envelope or wrapping of the proposal must clearly state the solicitation number (TIRNO-04-R-00017). We thank you in advance for your interest in TIPSS-3.

Sincerely,

The TIPSS-3 Team